The Gospel according to St. Margaret and St. Richard

A look at Mr Luce's 'welfare state mentality' in the arts,

by ANTHONY McCALL

The recent fuss about cuts in the Government grant to the Arts Council and the growing use of that new buzzword 'challenge funding' (using taxpayer's money to attract new cash) are curious developments, in a way. For Richard Luce, the Arts Minister, is clearly pushing for certain changes in the way the arts world operates — without spelling out what this means.

There are three possible reasons for Mr Luce's woolly explanations so far: first, he is having great difficulty in putting across his carefully thought-out new arts policy (possible, but unlikely); second, he has no new arts policy at all and therefore cannot explain it, no matter how hard he tries (more plausible); or third, he has one or two ideas and opinions, most of them half-baked,

which because they are simplistic defy implementation, unless we run the whole show simplistically and see where that gets us (the most likely reason by far).

We should recall, before looking at what Mr Luce's changes are likely to imply for those working in the arts, that his prescribed dose of Thatcherism is really not surprising. The surprise, if anything, is that the changes were so long in coming. We are in our eighth year of Tory government, after all. But apart from that, other sectors of British society have been or are being subjected to the Thatcher revolution: industry, the Health Service, education, unions, to name but a few.

Few would deny that there is need for change, across a wide spectrum of our national life. Naturally there are outdated working practices and attitudes in some areas, and some people adjust to our rapidly-changing world more quickly than others. This, quite legitimately, includes the arts. But what has been the Tory solution to the various ills they seek to address. Boiled down to the essentials, they could be summarized thus.

- 1. Apply common sense: a very underrated commodity, except that with unfailing regularity, its penny-wise wisdoms seem to fall short of the mark because life needs fine tuning with something called experience, as well.
- 2. Stick to straightforward, no-frills approaches that enshrine pre-war style attitudes to the world: think how your grandfather would have reacted to a given problem: with hard work and pride, but of course, very little understanding of today's complex issues.
- 3. Lastly, two central paradoxes: on no account interfere, this is a non-interventionist government. Market forces

NEW ARTS POLICY

Hard on the heels of the last Cue, where we put forward Dame Peggy Ashcroft's elegant solution to the problem of arts funding, came the Arts Minister's announcement of policy for the next term of office. Dame Peggy's proposal was that a transfer tax be levied on the sale of all art whose copyright had entered the public domain. For instance, paintings and manuscripts, often by artists whose lives had been spent struggling for survival, now exchange ownership at ever-increasing prices. But the arts rarely profit.

Regrettably, the new arts policy had neither the clarity of thought nor the altruism of Dame Peggy's idea. Despite a number of opportunities to elucidate the plans, few if any observers in the arts community have managed to grasp the minister's full intentions, even after several weeks. The overall message appears to be that the most financially successful companies will be most generously supported by grant aid, from now on. Understandably, this ruffled a few feathers, since it sounded more like an economic policy than an arts policy.

In early August he announced: 'There are sections of the arts that are still deeply inbred with the mentality of the 1960s and 1970s. They think the state owes them a living and if the state doesn't give them what they want, then the government and parliament are a lot of philistines. This attitude of mind needs to change.'

More controversially, he put forward the proposal that a proportion of all arts funding would be distributed on an incentive basis. Organizations would in future need to raise extra funding from alternative sources (sponsorship, local authorities, commercial investment), in order to get all their money. Failure to raise extra funds would mean the incentive funds would be blocked, in a rate-capping type measure. However it was administered, whether directly or through the Arts Council, this move would herald the end of the 'arm's length' principles of arts funding in this country.

'This is to help the arts world change their approach to the new climate, and enable them to see that by doing so they can raise more resources for the arts' he explained. This system is known as 'incentive funding', or 'challenge funding', and has been in operation since 1984, when government funds were first offered to business sponsors through the Association of Business Sponsorship of the Arts. The scheme offered one pound for every pound of expanded sponsorship programme, or for every new sponsor, three pounds for every pound put forward. This was the Business Sponsorship Incentive Scheme and it proved highly successful in wooing business clients. Now Mr Luce wants it to work in reverse for subsidized arts clients. Will it work?

Luke Rittner, Arts Council Secretary-General, has made some bland comments to the effect that the new policy is neither a big surprise, nor anything particularly new. But if it jeopardizes the arm's length principle, he'll have a 'serious conversation' with the government about it. But, warns Mr Rittner, if the Council's main grant of £138.4 million is in future to be disbursed as part of incentive funding, rather than this coming from an *additional* top-up fund to encourage entrepreneurial spirit, then there would be 'very serious anxieties and reservations'.

Depending on how the Arts Minister's statements are interpreted, one can draw almost any conclusion one likes. He told the Bow Group of Conservative MPs before the election that it would be possible 'to encourage a spirit of creativity and opportunity' with his plans, 'and on the other side of the coin, to give an incentive for ruthless pruning of existing

activities of lesser priority'.

What concerns regional arts associations and arts employers is the lack of detail on how this policy will be carried out. In a recent newspaper interview, Robin Guthrie, chairman of CORAA (the Council for Regional Arts Associations) and a member of the Arts Council, summed up these fears as follows: 'The kind of damage I am afraid of is that we would be going back to the distribution of artistic opportunity that followed economic success, rather than the arts in some way compensating for the consequences of economic disaster'.

